

Executed in 7 counterparts of
which this is Counterpart No. 7

10859-A
RECORDATION NO. Filed 1425

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INTERSTATE COMMERCE COMMISSION

ASSIGNMENT from SOUTHERN RAILWAY COMPANY ("Southern")
to THE CINCINNATI, NEW ORLEANS AND TEXAS PACIFIC RAILWAY COMPANY,
(the "Assignee")

W I T N E S S E T H:

THAT

WHEREAS, CHEMICAL BANK, as Trustee (the "Trustee"),
and Southern entered into an Equipment Trust Agreement dated
as of October 1, 1979, constituting Southern Railway Equipment
Trust No. 4 of 1979 (the "Agreement"), concerning the acqui-
sition of railroad equipment therein described (the "Equipment")
and the issuance and sale of Equipment Trust Certificates
(the "Certificates") for the purpose of financing approximately
80% of the cost of the Equipment; the principal of and interest
on the Certificates, together with cash sufficient to pay
the remainder of the cost of the Equipment, and all expenses
in connection therewith, to be paid from rentals provided
for in the Agreement; and whereby the Equipment was leased
to the Company as that term is defined in the Agreement for
a term beginning August 1, 1979, and ending October 1, 1994;
and

WHEREAS, Southern by application to the Interstate
Commerce Commission (the "Commission"), sought and obtained
an Order of the Commission dated October 22, 1979, authorizing
the assumption of obligation and liability in respect of not
exceeding \$19,200,000 principal amount of the Certificates
pursuant to the terms of the Agreement by endorsing on each
of the Certificates its unconditional guaranty of the prompt
payment, when due, of the principal thereof and the interest
thereon, all for the purpose of obtaining for itself, its
successors and assigns, the possession and use of and
ultimately the title to the Equipment; and

WHEREAS, the Assignee, an "Affiliate" of Southern as
that term is defined in the Agreement, desires to acquire
from Southern, and Southern is willing to assign to the
Assignee, all of the right, title and interest of Southern
in and to the Agreement insofar as they relate to that
portion of the Equipment hereinafter described, but no
further and without releasing Southern from any of its
obligations thereunder; and

WHEREAS, the Assignee by joining in the aforesaid application of Southern to the Commission sought and obtained authorization in the aforesaid Order of the Commission to assume obligation and liability in respect of not exceeding \$7,464,945 principal amount of the Certificates insofar as they relate to that portion of the Equipment hereafter described, having a total estimated cost of \$9,353,500; such assumption to be on the terms stated in said Order;

NOW, THEREFORE, it is agreed:

(1) In consideration of the covenants of the Assignee in Paragraph (2) hereof, Southern hereby assigns and transfers to the Assignee, its successors and assigns, all of the right, title and interest of Southern in and to the Agreement, and all rights and benefits thereunder, insofar as they relate to the following described railroad equipment (the "Assigned Equipment") which is a portion of the Equipment:

<u>Number of Units</u>	<u>Description of Equipment</u>	<u>Road Numbers (both inclusive)</u>
5	70-ton 52'6" CUF Insulated Box Cars	295-299
8	GP38-2 Diesel-Electric Locomotives	5247-5254
9	MPI5DC Diesel-Electric Locomotives	2383-2391

but no further; the rights and benefits of Southern assigned and transferred to the Assignee hereby shall include, but not by way of limitation, the right to the possession and use of and ultimately obtaining the title to the Assigned Equipment, and Southern hereby covenants and agrees that it will do and perform such further acts as may be necessary to effectuate the intent of this Assignment; provided, however, that this Assignment is subject to the Agreement and shall in no way modify or release the obligations of Southern thereunder, and provided further that the Assignee shall not acquire by this Assignment any right, title or interest in the Agreement with respect to any of the Equipment constructed and acquired by the Trustee thereunder except the Assigned Equipment.

(2) The Assignee hereby accepts said transfer and assignment and assumes and hereby agrees to perform all of the covenants and obligations of Southern under the Agreement insofar as they relate to the Assigned Equipment, in accordance with the provisions thereof.

(3) Nothing in this Assignment contained shall relieve Southern of any of its obligations under the Agreement.

(4) The obligations and liabilities assumed by the Assignee hereunder, insofar as they relate to the Certificates, pursuant to said Order of the Commission, shall not exceed the sum of \$7,464,945.

(5) Notwithstanding any other provisions of this instrument the obligation and liability assumed by the Assignee hereby shall be enforceable only by Southern and such obligation and liability shall not be enforceable by the Trustee under the Agreement or by the holders of any of the Certificates.

(6) This Assignment shall inure to the benefit of and shall be binding upon the successors and assigns of the parties hereto.

(7) This Assignment may be executed in any number of counterparts, each of which shall be deemed to be an original.

IN WITNESS WHEREOF, the parties hereto have caused this assignment to be executed and their respective corporate seals to be hereunto affixed and attested by their respective officers thereunto duly authorized, as of this 2nd day of October, 1979.

SOUTHERN RAILWAY COMPANY,
By

L.S.
ATTEST:

James L. Tapley . . .
Vice President

Malcolm W. Edwards
Assistant Secretary

THE CINCINNATI, NEW ORLEANS AND
TEXAS PACIFIC RAILWAY COMPANY,
By

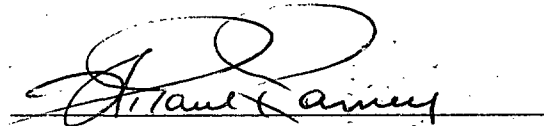
L.S.
ATTEST:

James L. Tapley . . .
Vice President

Malcolm W. Edwards
Assistant Secretary

DISTRICT OF COLUMBIA.

On this 2nd day of November, 1979, before me personally appeared James L. Tapley, to me personally known, who, being by me duly sworn, says that he is a Vice President of SOUTHERN RAILWAY COMPANY and of THE CINCINNATI, NEW ORLEANS AND TEXAS PACIFIC RAILWAY COMPANY, that the corporate seal of each of said corporations is affixed to the foregoing instrument, that said instrument was signed and sealed on behalf of each of said corporations by authority of its respective Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of each of said corporations.

A handwritten signature in dark ink, appearing to read "James L. Tapley", is written over a horizontal line.

My Commission Expires July 31, 1980